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BUDGET SPEECH

OF

THE HON. R. G. REID

TREASURER OF THE PROVINCE OF ALBERTA

Delivered on March 3rd

1933

IN THE

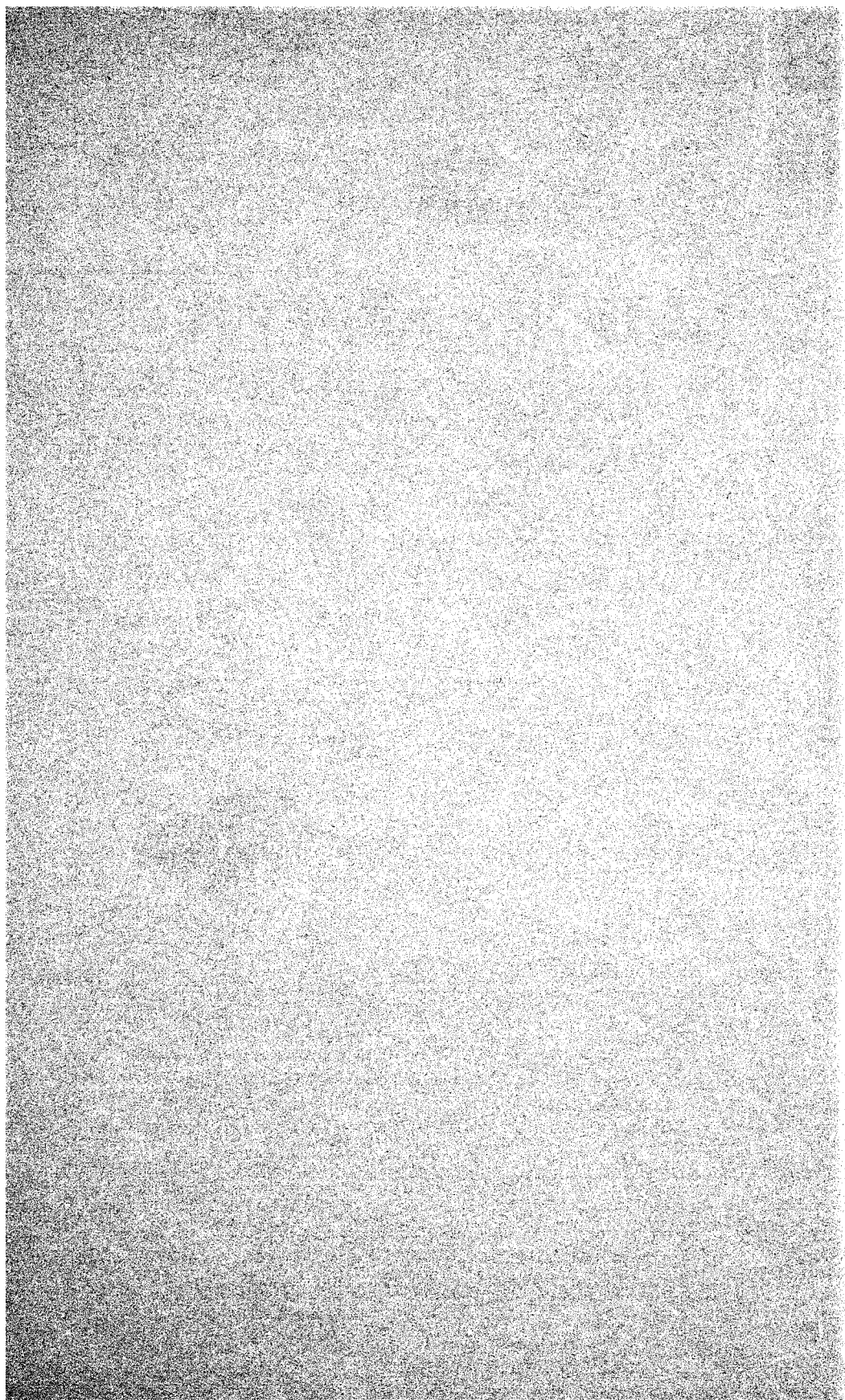
LEGISLATIVE ASSEMBLY OF ALBERTA

ON MOVING THE HOUSE INTO COMMITTEE OF SUPPLY

ALSO STATEMENTS OF FINANCIAL AND GENERAL
INFORMATION

PUBLISHED BY ORDER OF THE LEGISLATIVE ASSEMBLY

EDMONTON:
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March 3rd, 1933

MR. SPEAKER:

It is again my responsibility to present through you to the members of this Legislature the financial statements of the Province for the past year, and the estimates of revenue and expenditure for the ensuing fiscal year. I am reminded that this is the tenth Budget Speech it has been my privilege to deliver in this Legislature as Provincial Treasurer. At no time during that period was there such import or significance attached to a budget as must attach to one delivered under the economic conditions which exist today.

The financial position of any Government reflects the earning capacity and the welfare of the people. A decline in the income of a large percentage of the people is immediately reflected both in the earnings of corporations and in the income of any Government. In times such as these, corporations are able to curtail or suspend their operations; but added responsibilities have to be borne by governing bodies. Normal and essential services, such as education and public health must be maintained, together with the added burden caused through unemployment. These services are of vital necessity to the people of this Province; and I am glad to state, Mr. Speaker, that during the past year we have been able to carry on these services with due consideration of the need which exists, and the financial means of the Province.

Before dealing with the financial statements of the Province, and the condition of our basic industries, I desire to refer briefly to world happenings during the past year, and also to some of the main world problems which it is sincerely hoped will be dealt with during the present year.

WORLD CONDITIONS

The year 1932 proved disappointing, by failing to produce any tangible evidence of improved conditions. In fact, a further decline in prices for all agricultural products, brought wheat prices to the lowest in history. The entire world is still labouring under a burden of debt and uncertainty as to the future. The beneficial effects which might have resulted from the Lausanne Conference in June, and the successful flotation of the British Conversion Loan were stultified and overshadowed by the unfortunate coincidence of the presidential election in the United States, and the subsequent war debt controversy. The Imperial Economic Conference held in Ottawa in July

was evidence of an attempt to stimulate trade within the Empire, and increased exports of Canadian products, particularly during the past three months, may be due to the agreements consummated at that conference. It is generally conceded that restoration of world trade is essential to world recovery. In this connection, I should like to quote an extract from a report issued in England in 1926. "Trade is not a war, but a process of exchange; in time of peace our neighbours are our customers, and their prosperity is a condition of our well being. If we check their dealings, their power to pay their debt diminishes, and their power to purchase our goods is reduced. Restricted imports involve restricted exports, and no nation can afford to lose its export trade."

The past year, as I said, Mr. Speaker, did not produce any tangible improvement in world conditions; but it did bring about a broader and clearer understanding of the economic difficulties with which the world is faced, and the necessity of co-operation between nations.

This year, Canada, as a nation, along with other countries, looks forward with hope to the World Economic Conference. Seven nations—Great Britain, France, Italy, Germany, Belgium, Japan and the United States, have accepted the invitation of the League of Nations to attend this Conference in London. The agenda, suggested by the Preparatory Commission of experts, includes six main topics:

1. Monetary and Credit Policy.
2. Prices.
3. Resumption of the Movement of Capital.
4. Restrictions on International Trade.
5. Tariff and Treaty Policy.
6. Organization of Production and Trade.

Recognizing that the present International situation approximates a condition of economic warfare, it has been said the agreement concluded at Lausanne last June was the signing of the Armistice, and the task of the world conference is to draw the Treaty of Peace. The question of war debts is not specifically stated in the agenda, but in considering the existing world situation, this important problem cannot be ignored, and it is most encouraging to note that the United States' authorities have agreed to meet representatives of the British Government early in March to discuss this question, which is undoubtedly affecting the economic life of the entire world. We have reason I think, Mr. Speaker, to hope that as a result of this forthcoming conference, the world will commence to right itself from the economic shocks of the past three years, and that we shall witness the beginning of recovery from a depression which has seen no parallel in modern history.

EMPIRE CONDITIONS

I cannot refrain from commenting upon the marked progress Britain has made during the past year. Since her abandonment of the Gold Standard in September, 1931, it is becoming increasingly apparent that she is following a definite and well considered policy which not only restored the confidence of the world in her stability, but has given a lead to other countries by the efforts she has made to maintain a balanced position. The marked success of the Conversion

Loan announced in July of last year, was the largest transaction of its kind ever attempted in history; as a result, £2,087,000,000 of war debt carrying 5% is now bearing 3½%, and an annual saving of £30,000,000 to the British Treasury has been effected. The Government of Australia during October also refunded on the London Market, an issue of about £12,000,000 of New South Wales Stock bearing interest at 5¾% by a refunding issue of five year Stock bearing interest at 3½% per annum.

By the conversion of the War Loan, the British Government has set a new and higher standard of security values, to which all other securities will sooner or later become adjusted. Canada, to date, Mr. Speaker, has not followed the leadership of the Mother country in this respect; but there is increasing evidence that lower interest rates are inevitable and vital to the economic stability of this country.

Turning now to conditions within our own Province, as in past years we must consider the position of our basic industry.

* AGRICULTURE

From the viewpoint of both yield and quality, this Province produced for the second consecutive year one of the best grain crops in its history. Preliminary estimates show a total yield of 164,000,000 bushels of wheat against 136,000,000 bushels the previous year. The yield of all grain crops totalled 288,000,000 bushels valued at a net sum of \$58,263,000 compared with 249,000,000 bushels valued at \$70,227,000 in 1931. The shrinkage in the value of these crops, as you know, is attributable to a new low price for wheat and all other varieties of grain. The average price for wheat at points of shipment, from figures compiled by the Dominion Bureau of Statistics for the current crop year was 27c per bushel, compared with 36c per bushel for the year 1931 and 39c per bushel in 1930.

The total value of Dairy Products is estimated at \$11,650,000, compared with \$15,750,000 for 1931, a decrease of 26%, due almost entirely to a further reduced price level. The Dairy Industry shared the fate of other branches of agriculture in that respect. The butter production in factory and home dairies is estimated at 33,500,000 pounds, practically the same as in 1931. The output of cheese is reported at 1,500,000 pounds, compared with 1,000,000 pounds in 1931, a very substantial increase. Notwithstanding the disappointingly low prices, it is gratifying to note there was a material increase in the percentage of the higher grades of our dairy products. It is important also to note that slightly more than one-third of the yearly quantity of butterfat was produced during the winter months, and the progress towards a uniform monthly rate of production tends materially to maintain more stable market conditions. Several consignments of Alberta Creamery butter were exported to the Old Country during the mid-summer, and very satisfactory reports were received concerning the quality of these shipments.

The high quality of our live stock was again demonstrated at the Royal Exhibition at Toronto. Thirteen carloads of stock were shipped, and 251 prizes, including 29 specials and championships were awarded to Alberta exhibitors. Some 15,000 head of cattle are on feed in the Province, and of these around 3,000 head are being fattened under

* See Statement No. 1, Comparative Statement of Agricultural Production, 1931-32. Pages 18 and 19.

Government direction, and under the auspices of the Red Label Beef Association. The quality of cattle shipped to the Old Country has created an export demand, and the recent increase in the value of the pound sterling in Canada, together with the preferential agreements consummated at the Imperial Economic Conference, will result in an increasing number of cattle being exported from this Province.

The total value of all agricultural products during 1932 is estimated at \$117,800,000 compared with \$147,000,000 for the year 1931.

When the comparison is made, however, with the total value of products in the peak year of 1927, namely, \$330,000,000, no further comment of mine is needed to indicate the abnormal conditions with which our producers have to contend.

BEET SUGAR INDUSTRY

The past year has broken all previous records of beet sugar production in this Province. Approximately 13,900 acres were seeded, and the average yield was 10.80 tons per acre. Several factors contributed to the increased yield, chiefly improved culture, and the use of commercial phosphate fertilizer. It is conceded that where used, this fertilizer increased the yield from one to one and one-half tons per acre. Capital improvements to the Raymond Sugar Beet Factory of around \$250,000 were made in preparation for the handling of last year's crop, to increase the daily capacity and to secure a higher recovery of sugar. The sum of \$850,000 was paid to farmers for beets; around \$240,000 for labour; and the total payments by the Company for the year's operations will approximate \$1,706,000. Sugar beets were grown by 711 farmers; 144,000 tons of beets were actually processed by the factory, which operated for a period of 127 days, compared with a run of 98 days the previous year. The contract price to farmers was \$5.00 per ton; but it is expected final payments will increase the total price to around \$5.50 per ton. The amount of sugar produced totalled 45,866,000 pounds.

CANADIAN FARM LOAN BOARD

I wish now to direct your attention from this brief survey of agricultural conditions to certain Governmental problems.

The Alberta Division of the Canadian Farm Loan Board report that during the period, April 1st, 1932, to February 15th, 1933, a total of seventy-nine applications for mortgage loans was granted, aggregating \$156,200. The Board now have invested in this Province by way of mortgage loans a total of \$3,466,920 to 1,718 farmers. As I have pointed out on previous occasions, Mr. Speaker, the liability of the Province is limited to its investment in shares of the Canadian Farm Loan Board, which amounts to 5% of the actual amount loaned.

ALBERTA CO-OPERATIVE RURAL CREDIT ACT

There has been no increase in the number of Co-operative Credit Societies during the calendar year. Thirty-seven societies are incorporated as members of the Alberta Rural Credit Corporation, and a total of \$163,372.38 was loaned to members of these societies during the year ended December 31st, 1932. Repayments totalled \$180,031.45

which amount is \$16,659.07 in excess of the total loaned; and it is expected further payments of approximately \$75,000 will be made from the sale of grain and live stock. Interest added during the year amounted to \$103,660.47; and the carry-over of these societies amounted to \$1,646,810.84 including interest—an increase of \$87,001.40 compared with the amount unpaid as at December 31st, 1931.

The total loans to Sugar Beet Societies for the calendar year ended December 31st, 1932, was \$53,178.48. These loans were paid in full with interest, and a reduction of \$1,002.51 was made on the carry-over of \$1,641.35 as at December 31st, 1931, leaving a balance unpaid of \$638.84 on December 31st, 1932, which is fully secured, and will be repaid in full.

Two societies not admitted as members of the Alberta Rural Credit Corporation are in liquidation. No new loans were made under the guarantee of the Province to these societies during the year; and the sum of \$5,470.32 was collected.

The Alberta Rural Credit Corporation had at December 31st, 1932, a paid-up capital of \$337,150.99; an increase of \$34,847.32, compared with the previous year. The assets now amount to 20.47% of the total loans to the 37 societies incorporated as members of the Alberta Rural Credit Corporation; and under ordinary conditions, this provision of capital and accumulating reserve should be more than sufficient to meet losses in these societies. I feel that the societies as a whole have held their position as well as we could expect under the abnormally adverse conditions; and an upturn in prices for agricultural products, which we believe must eventually occur, will enable the majority of the members of these societies to substantially improve their position.

CO-OPERATIVE MARKETING ASSOCIATIONS

The total loans guaranteed by the Government under the terms of the Co-operative Marketing Associations Guarantee Act aggregated \$414,560. In my address last year I stated that reductions totalled \$51,952; and it is especially gratifying to state that even under the adverse conditions of today, further reductions of \$36,472 have been made in these guaranteed loans. The total guaranteed loans outstanding as at February 14th, 1933, amounted to \$326,135. Payments made are with one exception in excess of the minimum required by the Act; and I have no hesitation in again stating, Mr. Speaker, that the Government of this Province is fully secured against any loss in connection with these guarantees.

ALBERTA WHEAT POOL

In my budget speech of last year I outlined the assets held by the Government of this Province as security for its advances of \$5,649,687.49. The security as at July 31st, 1931, was valued at \$9,229,484.50. Since that date I am pleased to be able to state that the financial position of the Association has materially improved. Not only has the Wheat Pool made its initial payment to the Government of \$258,912.50 on September 1st last, but after providing for the full depreciation on all elevators totalling \$524,652.04, it has carried forward to surplus account a net earning of \$375,738.00.

The Pool showed net operating earnings for the year ended July 15th, 1932, of \$1,123,282.40, and liquid assets improved from \$2,704,344.00 to \$3,261,111.00, an increase of \$556,766.00.

The grain handled through Pool elevators for the 1931-32 crop year totalled 41,591,781 bushels, an increased handling of over 5,000,000 bushels. The financial position and the volume of grain handled are ample evidence of the earning ability of this co-operative organization to repay in full its liability to the Government.

NATURAL RESOURCES

Last year I stated that in its Natural Resources the Province has a potential asset, the value of which will become increasingly apparent in each succeeding phase of this Province's future development.

I desire, Mr. Speaker, to disassociate myself from those who would have us believe that we have seen our best days in this Province and no further development is possible. On the contrary, may I reaffirm my belief that our greatest development is yet to come.

A scrutiny of the revenues received by the Department of the Interior during their administration of the Resources, shows violent fluctuations from year to year as a result of changing economic conditions. While the revenue from the new Department of Lands and Mines has been a disappointment due to adverse conditions, nevertheless our experience in administration confirms us in the belief that the natural resources of this Province are a real and tangible asset and that the income from this source will in future years become one of our largest items of revenue.

The production of coal for the calendar year 1932 totalled 4,870,030 tons, valued at \$13,442,000, an increase in production of 305,740 tons. Lumbering operations are practically negligible, a total cut of 49,514,228 feet being reported for the year, valued at \$717,953. The production of naphtha and light crude oil totalled 910,697 barrels, and heavy crude oil, 6,935, a total of 917,622 barrels, valued at \$2,654,533.50, a decrease in production of 537,573 barrels, and in value of \$1,577,762. Natural gas consumed totalled 16,508,583 thousand cubic feet, the value at the well head amounting to \$660,343.32, the financial returns from Crown lands have perhaps been the cause of our greatest disappointment. This, however, could probably not prove otherwise in view of the abnormally low prices of all agricultural products.

ALBERTA SAVINGS CERTIFICATES

The total amount on deposit on December 31st, 1932, was \$8,584,000.26, compared with \$9,594,034.68 the previous year—a decrease of \$1,010,034.42. The decrease is chiefly accounted for by the withdrawal of several substantial sums on deposit for a stated period and many depositors having had to recourse to their savings to meet their ordinary expenses. A considerable amount withdrawn was re-invested in bonds of the Province, yielding higher rates of interest. On April 25th last the Province announced the issue of Term Certificates bearing interest at 5% per annum. This form of investment proved attractive; and on December 31st, 1932, certificates covering

deposits of \$784,251.72 had been issued, and on January 31st, 1933, these deposits had increased to \$1,335,240.46, which I consider a very favourable showing under present conditions.

FUNDED AND UNFUNDED DEBT

Following the issue floated in March of last year, which was payable in Canada only, the markets in both Canada and New York were generally speaking, unreceptive for further issues, particularly the latter.

In the first half of the year the London market responded well to a Canadian Provincial issue due (for the most part) to the drastic downward trend of interest rates in Great Britain.

Faced with the necessity of funding certain short term obligations the Province decided to explore this field and through the medium of its fiscal agents an issue of £1,000,000 5% Alberta Government Stock due June 1st, 1967, callable in 1962, was successfully underwritten.

Notwithstanding an almost consistent decline of sterling exchange following the flotation of this issue from \$4.20 to a low of \$3.59 in October, the final cost of this issue to the Province was considerably less than the previous issue in March.

Moreover, substantial savings on the first interest payment and first investment of Sinking Fund have further decreased the cost of this issue, and further reductions in the cost to the Province will be effected while the pound sterling remains at a discount in Canada.

Such other financing as has been necessary during the past nine months has been effected with the Government of Canada and the Bankers of the Province.

The net Funded and Unfunded debt of the Province as at December 31st, 1932, amounted to *\$144,239,193.69, made up and accounted for as follows:

Funded Debt, including Treasury Bills, Debentures and Stock.....	\$140,445,275.48
Less: Sinking Fund.....	6,988,963.63
Net Funded Debt.....	** \$133,456,311.85
Add: Net Unfunded Debt.....	10,782,881.84
Net Funded and Unfunded Debt.....	\$144,239,193.69

From this total should be deducted the realizable or income producing assets amounting in the aggregate to \$43,138,223.06 chiefly made up of Alberta Government Telephone plant and supplies, balance owing in respect of Railways and Alberta Co-operative Wheat Producers Limited. The net general debt, therefore, amounts to \$101,100,970.63, or a per capita of \$138.19. I shall not go into further details of the analysis of capital debt as this is fully covered in the statement furnished you for the nine months ended December 31st, 1932.

PROVINCIAL SINKING FUNDS

Of the total Public Debt charges \$749,165.38 represents appropriations for Sinking Fund instalments and to this amount will be added a further \$180,000.00 from payments receivable from the Alberta Co-operative Wheat Producers Limited.

* See Statement No. 3. Analysis of Funded and Unfunded Debt. Page 22.

** See Statement No. 2. Statement of Bonded Debt and Treasury Bills. Pages 20 and 21.

The general provision for Sinking Fund instalment is at the rate of $\frac{1}{2}$ of 1%, but loans totalling almost \$16,000,000.00 carry sinking funds sufficient, with accretions, to retire the various issues to which they are applicable at maturity. The \$5,000,000.00 issue floated in March last has a 1% sinking fund.

With depleted revenues the Government has, nevertheless, made such strengthening of its Sinking Fund provisions in respect of the last two flotations as is considered possible without unduly burdening the taxpayer.

The total Sinking Funds applicable to the direct debt of the Province as at December 31st, 1932, amount to \$6,988,963.63, of which \$1,635,951.46 is the Telephones portion, and in addition there are sinking funds applicable to debentures guaranteed by the Province of approximately \$895,000.00. I may add that all statutory payments for Sinking Funds have been maintained.

PUBLIC ACCOUNTS

Dealing now with the final statements for the fiscal year ended March 31st, 1932, you have before you the printed Public Accounts for that period.

General Revenue Deficit

The General Revenue deficit for the year, as previously announced, amounts to \$5,153,050.92, summarized as follows:

Estimated deficit	\$ 387,341.61
Actual revenue, less than estimates.....	4,949,026.89
	<u>\$5,336,368.50</u>
Deduct: Actual expenditure, less than estimates.....	183,317.58
General Revenue deficit.....	<u>\$5,153,050.92</u>

From the foregoing it will be observed that the deficit was entirely due to shrinkage in revenue as departments lived within their expenditure appropriations. Considerable savings were effected by practically all departments, but these were largely offset by increased public debt charges.

Ordinary revenue of the Province in respect of the fiscal year amounted to \$13,492,430.28 as compared with an estimate of \$18,441,457.17, a difference of \$4,949,026.89.

Actual revenue in comparison with amounts estimated may be classified and summarized as follows:

Particulars—	Actual	Estimates	Under or over* Estimates
Dominion of Canada.....	\$ 2,261,717.12	\$ 2,548,435.00	\$ 286,717.88
Taxes	3,986,322.77	5,814,750.00	1,828,427.23
Licenses	1,738,783.75	2,094,900.00	356,116.25
Fees	1,732,568.44	2,796,345.00	1,063,776.56
Fines and penalties.....	80,254.16	155,000.00	74,745.84
Profits from trading activities.....	1,441,361.02	2,261,000.00	819,638.98
Miscellaneous	83,727.38	89,405.00	5,677.62
Refunds of expenditure.....	632,564.05	601,795.00	30,769.05*
From revenue-producing assets.....	1,535,131.59	2,079,827.17	544,695.58
	<u>\$13,492,430.28</u>	<u>\$18,441,457.17</u>	<u>\$ 4,949,026.89</u>

The following table shows classified revenue on a per capita and a percentage basis:

Particulars—	Per Capita	Per Cent. of Revenue
Dominion of Canada.....	\$ 3.09	16.76%
Taxes	5.45	29.55
Licenses	2.38	12.89
Fees	2.37	12.84
Fines and penalties.....	.11	.59
Profits from trading activities.....	1.97	10.68
Miscellaneous .....	.11	.62
Refunds of expenditure.....	.86	4.69
From revenue-producing assets.....	2.10	11.38
	<u>\$ 18.44</u>	<u>100.00%</u>

Expenditure—General Revenue Fund

Expenditure on Income Account during the fiscal year amounted to \$18,645,481.20 in comparison with an estimate of \$18,828,798.78 a reduction of \$183,317.58 from the amount estimated.

Actual expenditure in comparison with amounts estimated may be classified and summarized as follows:

Particulars—	Actual	Estimates	*Over or under Estimates
Debt Charges.....	\$ 6,431,817.34	\$ 6,143,812.50	\$ 288,004.84*
Education	2,601,078.77	2,650,935.00	49,856.23
Legislation	228,518.73	231,605.00	3,086.27
General Government	1,439,180.90	1,458,672.34	19,491.44
Miscellaneous	33,329.39	33,840.00	510.61
Administration of Justice.....	1,168,614.60	1,187,620.00	19,005.40
Agriculture, Research and Development.....	1,523,461.11	1,445,019.63	78,441.48*
Public Welfare, institutions and charitable grants	3,541,929.94	3,835,294.31	293,364.37
Highways, bridges and ferries.....	1,620,199.23	1,797,000.00	176,800.77
Commissions and fines paid to municipalities and refunds.....	57,351.19	45,000.00	12,351.19*
	<u>\$18,645,481.20</u>	<u>\$18,828,798.78</u>	<u>\$ 183,317.58</u>

The following table shows classified expenditure on a per capita and a percentage basis:

	Per Capita	Per Cent. of Revenue	Per Cent. of Expenditure
Debt charges.....	\$ 8.79	47.67%	34.49%
Education	3.56	19.28	13.95
Legislation .....	.31	1.69	1.22
General Government.....	1.97	10.67	7.72
Miscellaneous .....	.04	.25	.18
Administration of justice.....	1.60	8.66	6.27
Agriculture, research and development	2.08	11.29	8.17
Public welfare, institutions and charitable grants.....	4.84	26.25	19.00
Highways, bridges and ferries	2.21	12.01	8.69
Commissions and fines paid to municipalities and refunds	.08	.42	.31
	<u>\$ 25.48</u>	<u>138.19</u>	<u>100.00%</u>
Deficit	7.04	38.19	
	<u>\$ 18.44</u>	<u>100.00%</u>	

Population, Dominion census, 1931.....731,605.

Alberta Government Telephones

Alberta Government Telephones reported a deficit of \$615,281.46 due to the falling off of the revenues of that department. Expenditure of the department was \$157,774.27 less than the amount pro-

vided in the estimates. It should be clearly understood that the deficit reported was arrived at after making a charge for depreciation of \$823,766.29 and setting aside \$123,757.16 for sinking fund. No depreciation reserve was set aside until this Government took office in 1921.

Fiscal Year 1932-1933

You have before you a statement of receipts and payments in respect of the nine months period ended December 31st, 1932. It will be observed that the cash position of the Province on income account showed an improvement of \$3,298,852.91 when compared with the corresponding period of 1931. Receipts increased by \$2,267,941.21 and payments showed a decrease of \$1,030,911.60, reflecting the measures taken by the Government at the last session of the Legislature to increase revenues and reduce expenditures.

UNEMPLOYMENT RELIEF

Unemployment Relief continues to be a very serious charge upon the financial resources of the Province, the total cost for the first nine months of the year as shown in the statement for the period ending December 31st, 1932, being \$1,663,484.94. In the cities of Calgary, Edmonton, Lethbridge, Medicine Hat and Drumheller, it is estimated 22,334 individuals received assistance by way of Direct Relief to families in the month of December, while in areas outside these cities 18,146 individuals were assisted in the month of January last. The Relief Commission organized under agreement with the Dominion Government, has very considerably relieved the burden in the Province and Municipalities, by assuming the major cost of single unemployed men. As at January 31st, this Commission was assisting 7,075 single men. It is difficult to see any hope of a substantial reduction in unemployment relief costs until economic conditions have been substantially improved by a general increase in commodity prices.

ESTIMATES—1933-34

I would now direct your attention to the estimates for the ensuing year.

I feel it necessary to say at this point that as a background to the consideration of these Estimates, it should be remembered that this is a young Province of tremendous area; that as yet our industries, even the basic industry of agriculture; have not yet become firmly established as in the older Provinces; that as yet we have not built up large reserves of wealth; and that vast development problems still confront us, especially in the building of market roads and other transportation requirements. However much, therefore, our people may criticize our national, social and economic system, still from an administrative viewpoint, the Government believes it sound business to so shape our fiscal policy that with any return to better conditions, this Province may continue to move in the van of Canadian Provinces instead of lagging far in the rear.

I have already stated that while this Province produced one of the best crops in its history, both in quality and yield, a further decline in wheat prices, in particular, caused a further shrinkage in the income of the Government. While the estimates submitted last

year provided substantial reductions in expenditure, for the reason already stated, a further and more drastic programme of economy is necessary.

The estimates now before you are the result of an intensive study, and a determined effort on the part of the Government to prepare a balanced budget, in order that whatever conditions may confront Canada in the coming fiscal year, this Province may be self-sustaining. Every item of Government expenditure has had serious consideration; and the economies effected entail, not only the discontinuance of certain Government services which we under ordinary conditions deem necessary, but a sharp curtailment of expenditures in every Department of the Government.

The following estimate of Revenue and Expenditure on Income Account is submitted:

Revenue, Income Account.....	\$15,473,174.68
Expenditure, Income Account.....	15,463,474.68
Estimated Surplus.....	\$ 9,700.00

The following statement sets forth the estimated expenditures for the ensuing fiscal year compared with the estimates for the previous year:

Expenditure—Income Account

Details—	1933-34	1932-33	Increase	Decrease
Executive Council.....	\$ 316,594.00	\$ 355,990.00	.....	\$ 39,396.00
Legislation	229,860.00	242,890.00	.....	13,030.00
Agriculture Department.....	343,442.56	492,264.88	.....	148,822.32
Attorney General's Department	1,101,841.00	1,233,599.34	.....	131,758.34
Education Department.....	2,216,387.00	2,550,854.00	.....	334,467.00
Municipal Affairs Department	115,620.00	162,767.30	.....	47,147.30
Provincial Secretary's Dept....	94,613.34	89,508.34	\$ 5,105.00	.....
Public Health Department.....	1,340,171.31	1,456,394.10	.....	116,222.79
Public Works Department.....	1,585,293.00	2,034,751.00	.....	449,458.00
Railways and Telephones Department: Railways and Water Resources Branch..	67,460.00	83,455.42	.....	15,995.42
Treasury Department.....	443,740.00	544,270.00	.....	100,530.00
Lands and Mines Department..	448,890.00	598,902.50	.....	150,012.50
	\$ 8,303,912.21	\$ 9,845,646.88	.....	\$ 1,541,734.67*
Less: Salary Deductions.....	320,000.00	160,000.00	.....	160,000.00
Controllable	\$ 7,983,912.21	\$ 9,685,646.88	.....	\$ 1,701,734.67*
Public Debt Charges.....	7,159,562.47	6,827,497.34	\$332,065.13	.....
TOTALS	\$15,143,474.68	\$16,513,144.22	.....	\$ 1,369,669.54**
Surplus	\$ 9,700.00	\$ 149,200.00	.....

*Decrease.

**Net Decrease.

Referring to the controllable expenditures you will note that in every Department of the Government, with one exception, where a small increase of \$5,105.00 is shown, the estimated expenditure provides for reduction over last year's estimates ranging from 5.37 to 30.23 per cent. and a total average reduction of 17.57 per cent., or \$1,701,734.67. After allowing for increased Public Debt charges of \$332,065.13, the net decrease in Expenditure on Income Account amounts to \$1,369,669.54.

In order to arrive at this total reduction, several very drastic curtailments of expenditure have been necessary. The most import-

ant are—a decrease of \$350,000 for maintenance of main highways; a decrease of \$118,388 in grant to the University of Alberta; a proposed reduction of \$92,172 in equalization and ordinary grants to schools.

The reduction in School Grants is explained by a revision of the equalization grant by providing for a maximum of \$500 per room and by the elimination of the grant of 25c per day per room where Grade IX is taught. Provision is made for a reduction in ordinary School Grants to a nine instead of a ten months basis if financial conditions throughout the year make such reductions quite unavoidable. The Government fully realizes, however, that it would be the desire of every member of this Assembly that this reduction should not be in fact, put into effect, if in any way it can be avoided. The Government has every hope that it can, by careful control and further economies throughout the year in other places, avoid the necessity of this reduction. A saving of \$51,850 in School Fairs and District Agricultural expenditures; and a proposed additional contribution from Civil Servants' and Ministers' salaries of \$160,000, the details of which have still to be finally arranged. These extreme economies are predicated, the Government having to provide the necessary finances with no material improvement and even the possibility of a further decline in revenues.

The system of month to month budgeting has been extended under still more thorough control in order to keep the year's expenditure well within the estimates.

Revenue—Income Account

The estimated revenue by departments is given herewith, together with the estimates for the previous year:

Details	1933-34	1932-33	Increase	Decrease
Dominion of Canada.....	\$ 1,743,159.00	\$ 1,739,872.00	\$ 3,287.00	.....
Agriculture Department.....	213,635.00	291,250.00	.....	\$ 77,615.00
Attorney General's Department..	2,490,800.00	2,622,825.00	.....	132,025.00
Education Department	187,550.00	155,100.00	32,450.00	.....
Executive Council.....	55,950.00	53,050.00	2,900.00	.....
Legislation	1,220.00	1,520.00	.....	300.00
Municipal Affairs Department....	1,207,700.00	1,082,000.00	125,700.00	.....
Provincial Secretary's Dept.....	4,998,150.00	5,577,520.00	.....	579,370.00
Public Health Department.....	371,980.00	385,643.00	.....	13,663.00
Public Works Department.....	107,100.00	100,000.00	7,100.00	.....
Railways and Telephones Department: Railways and Water Resources Branch	428,533.00	431,200.00	.....	2,667.00
Treasury Department.....	2,426,997.68	2,766,564.22	.....	339,566.54
Lands and Mines Department....	1,240,400.00	1,615,800.00	.....	375,400.00
	<u>\$15,473,174.68</u>	<u>\$16,822,344.22</u>	.....	<u>\$1,349,169.54</u>
Less: Salary Deductions.....	320,000.00	160,000.00	.....	160,000.00
	<u>\$15,153,174.68</u>	<u>\$16,662,344.22</u>	.....	<u>\$1,509,169.54</u>

The total estimated revenue shows a net decrease of \$1,509,169.54 compared with the previous year.

Having regard to general economic conditions, the Government has endeavoured to bring down a balanced budget by drastic economies rather than by any further extensive increases in taxation. It is, however, the intention of the Government to introduce a Pipe Line Taxation Act designed to bring the taxation of pipe lines passing through municipal and improvement districts exclusively under the

Provincial Government. The purpose of this change is to bring about uniformity in the taxation of such public utilities in the same way as already applied to power lines. This change will not affect the general public.

Having in mind the widespread demand for some reconsideration of Automobile Licenses, the Government proposes to increase the Fuel Oil Tax to six cents per gallon. The additional revenue from this source, however will be partially offset by adjustments in the License Fees to be brought into effect during the next fiscal year, the details of which will be placed before the House in a few days. This increase will bring this tax to the level of that in the Province of Saskatchewan while still lower than in many of the Provinces of Canada.

CAPITAL ACCOUNT

The comparative figures of estimated receipts and payments on Capital Account are as follows:

Receipts

Details—	1933-34	1932-33	Increase	Decrease
Executive Council	\$ 333,000.00	\$ 340,000.00	.....	\$ 7,000.00
Agriculture Department.....	7,800.00	17,500.00	.....	9,700.00
Education Department.....	85,000.00	130,000.00	.....	45,000.00
Municipal Affairs Department.....	105,200.00	80,000.00	\$ 25,200.00	.....
Public Works Department.....	38,000.00	67,000.00	.....	29,000.00
Railways and Telephones Department: Resources Branch.....	5,050,600.00	235,000.00	4,815,600.00	.....
Treasury Department.....	40,900.00	28,600.00	12,300.00	.....
Lands and Mines Department.....	8,000.00	25,000.00	.....	17,000.00
	<u>\$5,668,500.00</u>	<u>\$ 923,100.00</u>	<u>\$4,745,400.00</u>	<u>.....</u>

Payments

Public Debt.....	\$ 500,000.00	\$ 400,000.00	\$ 100,000.00	.....
Executive Council.....	125,000.00	87,575.00	37,425.00	.....
Agriculture Department.....	16,000.00	19,500.00	.....	\$ 3,500.00
Education Department.....	.....	86,000.00	.....	86,000.00
Municipal Affairs Department.....	30,200.00	30,000.00	200.00	.....
Public Works Department.....	286,500.00	872,230.00	.....	585,730.00
Railways and Telephones Department: Resources Branch.....	630,895.00	696,372.82	.....	65,477.82
Treasury Department.....	21,500.00	33,500.00	.....	12,000.00
	<u>\$1,610,095.00</u>	<u>\$2,225,177.82</u>	<u>.....</u>	<u>\$615,082.82</u>

Dealing with the estimated receipts and payments on Capital Account, you will note that the estimated expenditure of \$1,610,095.00 shows a reduction of \$615,082.22 compared with the previous year, and of this total expenditure \$1,206,750.00 must be considered as a statutory obligation which reduces the controllable expenditure to \$413,345.00.

The revenue on Capital Account totals \$5,668,500.00 and includes \$5,000,000.00 due on the sale of Railways, the proceeds of which will be available for the reduction of maturing debentures or temporary borrowings.

In presenting the budget which I have tabled today, I feel reasonably confident that the drastic reductions made in the estimates of Expenditure will result in a balanced statement at the end of the fiscal year. I fully realize that we cannot expect a return to normal or more prosperous conditions apart from a general improvement in national and in world affairs. I do feel, however, that we can look forward with hope to the approaching World Economic and War Debt Conference. As a result of the deliberations of the nations represented there, together with the strengthening of commodity prices which now seems probable, I believe a solution of at least some of the major problems which are standing in the way of World Recovery appears more hopeful than at any time since the beginning of the world depression.

I do now move, Mr. Speaker, that you leave the Chair, and that this House go into Committee of Supply for the consideration of the sums to be granted to His Majesty.

STATEMENTS

STATEMENT No. 1

GOVERNMENT OF THE PROVINCE OF ALBERTA

COMPARATIVE STATEMENT OF AGRICULTURAL PRODUCTION, 1931-32

(Subject to revision when final check on census figures is completed)

Acres	Yield per Acre—Bus.	Total Yield Bus.	Price	Value	Acres	Yield Per Acre—Bus.	Total Yield Bus.	Price	Value	
1931										
7,999,895	17.0	136,000,000	\$ 0.36	\$48,960,000	GRAIN CROPS, etc.					
2,447,288	37.0	90,500,000	0.18	16,290,000	All Wheat	20.0	164,000,000	\$ 0.27	\$44,280,000	
723,772	28.7	20,800,000	0.21	4,368,000	Oats	37.5	101,500,000	0.11	11,165,000	
152,019	7.2	1,100,000	0.22	242,000	Barley	28.1	19,700,000	0.12	2,364,000	
17,909	33.2	595,000	0.19	113,000	Rye	10.9	1,988,000	0.13	258,000	
28,831	6.9	200,000	0.72	144,000	Mixed Grains	28.9	731,000	0.14	102,000	
400	15.0	6,000	1.50	9,000	Flax Seed	9.7	147,000	0.49	72,000	
500	11.0	5,500	1.20	6,600	Peas	16.0	6,000	0.60	3,600	
2,250	2.77	6,250	12.00	75,000	Beans	11.8	6,000	0.70	4,200	
					Alfalfa Seed	2.08	1,250	12.00	15,000	
11,372,864		249,212,750		\$70,207,600	Total Grain Crops, etc.		288,079 250		\$58,263,800	
1932										
Acres	Cwt.	Cwt.	Acres	Cwt.	Acres	Cwt.	Cwt.	Acres	Cwt.	
35,596	78.0	2,776,000	\$ 0.42	\$ 1,166,000	ROOT CROPS	Potatoes	68.0	2,102,000	\$ 0.64	\$ 1,345,000
1,700	126.0	214,000	0.30	64,000	Turnips, Mangolds, etc.	1.800	207,000	0.64	132,000	
	Tons	Tons				Tons	Tons			
11,950	8.78	105,000	6.50	683,000	Sugar Beets	13,929	150,731	6.20	934,532	
49,246				\$ 1,913,000	Total Root Crops				\$ 2,411,532	
1933										
Acres	Tons	Tons	Acres	Tons	Acres	Tons	Tons	Acres	Tons	
1,750,000	2.00	3,500,000	\$ 6.00	\$21,000,000	FODDER CROPS	Green Feed	1.75	3,238,000	\$ 6.00	\$19,428,000
287,721	1.37	394,000	7.50	2,955,000	Hay and Clover	231,300	1.54	356,000	6.50	2,314,000
56,650	2.19	124,000	10.00	1,240,000	Alfalfa	56,800	2.45	139,000	8.00	1,112,000
3,600	3.55	13,000	4.00	52,000	Fodder Corn	4,500	5.81	26,000	3.50	91,000
2,097,971		4,031,000		\$25,247,000	Total Fodder Crops	2,142,600				\$22,945,000

Number of Creameries or Factories	Total Production Lbs.	Cents	DAIRY PRODUCTS		Number of Creameries or Factories	Total Production Lbs.	Cents
			Creamery Butter	Cheese			
93	22,957,322	20.52	\$ 4,711,232	118,390	95	20,850,000	16.5
10	1,040,588	11.38	10,920,378	Other Dairy Products	12	1,435,000	10.4
			\$15,750,000	Total Dairy Products			
							\$ 3,436,125
							149,240
							8,064,635
							\$11,650,000

Production Lbs.	Price Cents	MISCELLANEOUS PRODUCTS		Production Lbs.	Price Cents
		Honey	Wool		
915,000	10	\$ 91,500	157,500	550,000	8
3,500,000	4½	6,500,000	Poultry Products	3,200,000	4½
		1,023,600	Game and Furs		
		25,500,000	Animals Slaughtered and Sold		
		\$33,272,600	Total Miscellaneous Products		
					\$ 44,000
					144,000
					4,000,000
					877,332
					17,600,000
					\$22,665,332

SUMMARY OF AGRICULTURAL PRODUCTION, 1931-32

1931 Acres	Acreage Under Cultivation	1932 Acres		1931 Value of Production		1932 Value of Production	
		Grain, Root and Fodder Crops	Summerfallow				
13,520,081	Grain, Root and Fodder Crops	14,021,529		\$ 97,367,600	Grain, Root and Fodder Crops	\$ 83,620,332	
3,500,000	Summerfallow	4,003,800		15,750,000	Dairy Products	11,650,000	
400,000	Breaking this year	255,600		33,272,600	Miscellaneous Products	22,665,332	
	Total	18,280,929		\$146,390,200	Total	\$117,935,664	
17,420,081							

NOTE—In the above statement, the figures for field and root crops are those published by the Dominion Bureau of Statistics. For dairy products, the figures are those published by the Alberta Provincial Dairy Branch. For miscellaneous products, the figures are those compiled jointly by the Federal and Provincial Bureaus of Statistics.

PUBLICITY AND STATISTICS BUREAU,
Government of Alberta,
Edmonton, February, 1933.

STATEMENT No. 2
GOVERNMENT OF THE PROVINCE OF ALBERTA
STATEMENT OF BONDED DEBT AND TREASURY BILLS AS AT 31st DECEMBER, 1932.

Date of Issue	Date of Maturity	Amount	Interest Rate	General Revenue	Telephones	Where Payable	Denominations
June 1, 1931.....	June 1, 1933.....	\$ 2,000,000.00	4%	\$ 2,000,000.00	.....	M., T., W., E., C., V., N.Y.	\$1,000; \$10,000; \$100,000.
November 1, 1923.....	November 1, 1933.....	3,000,000.00	5½%	3,000,000.00	.....	M., T., E., N.Y.	\$1,000.
April 1, 1931.....	April 1, 1934.....	2,000,000.00	4½%	2,000,000.00	.....	M., T., W., E., C., V., N.Y.	\$1,000.
April 1, 1931.....	April 1, 1935.....	3,943,000.00	4½%	3,143,000.00	800,000.00	M., T., W., E., C., V., N.Y.	\$1,000.
January 15, 1921.....	January 15, 1936.....	2,000,000.00	6%	1,000,000.00	1,000,000.00	M., T., E.	\$1,000; \$500.
April 1, 1921.....	April 1, 1936.....	3,200,000.00	6%	1,000,000.00	2,200,000.00	M., T., E.	\$1,000; \$500.
November 1, 1921.....	November 1, 1936.....	1,250,000.00	6%	1,000,000.00	250,000.00	M., T., E.	\$1,000; \$500.
June 1, 1931.....	June 1, 1937.....	1,650,000.00	4½%	1,650,000.00	.....	M., T., W., E., C., V., N.Y.	\$1,000.
June 1, 1908.....	June 1, 1938.....	2,000,200.00	4%	.....	2,000,200.00	M., T., E., L.	\$100.
January 1, 1919.....	January 1, 1939.....	1,000,000.00	5½%	1,000,000.00	.....	M., T., E., N.Y.	\$1,000; \$500; \$100.
January 15, 1924.....	January 15, 1939.....	2,500,000.00	5%	2,500,000.00	.....	M., T., E., N.Y.	\$1,000.
June 1, 1924.....	June 1, 1939.....	750,000.00	5%	750,000.00	.....	M., T., E.	\$1,000; \$500; \$100.
September 1, 1924.....	September 1, 1939.....	250,000.00	5%	250,000.00	.....	E.	\$250,000.
February 15, 1924.....	February 15, 1940.....	2,000,000.00	5%	2,000,000.00	.....	M., T., E., W., V.	\$1,000; \$500.
February 15, 1925.....	February 15, 1940.....	750,000.00	5%	750,000.00	.....	M., T., E., Vic.	\$1,000.
July 15, 1926.....	July 15, 1941.....	750,000.00	4½%	750,000.00	.....	M., T., E.	\$1,000.
September 1, 1921.....	September 1, 1941.....	2,250,000.00	6%	2,250,000.00	.....	M., T., E.	\$1,000; \$500.
October 1, 1921.....	October 1, 1941.....	1,800,000.00	6%	.....	1,800,000.00	M., T., E.	\$1,000; \$500.
October 1, 1921.....	October 1, 1941.....	1,053,230.68	6%	.....	1,053,230.68	M., T., E.	\$1,000; \$230.68.
December 1, 1921.....	December 1, 1941.....	700,000.00	6%	420,000.00	280,000.00	M., T., E., N.Y.	\$1,000.
January 15, 1927.....	January 15, 1942.....	1,250,000.00	4½%	1,250,000.00	.....	M., T., E., Vic., N.Y.	\$1,000.
July 1, 1927.....	July 1, 1942.....	150,000.00	4½%	150,000.00	.....	M., T., E., C., Vic., N.Y.	\$1,000.
September 15, 1922.....	September 15, 1942.....	2,948,000.00	5%	729,724.41	2,218,275.59	M., T., E., N.Y.	\$1,000.
Converted Stock.....	November 1, 1942.....	53,908.07	4½%	10,781.62	43,126.45	L.	\$1.
April 1, 1923.....	April 1, 1943.....	3,500,000.00	5%	1,500,000.00	2,000,000.00	M., T., E., N.Y.	\$1,000.
July 2, 1923.....	July 1, 1943.....	2,000,000.00	5%	2,000,000.00	.....	M., T., E., L.	\$1,000; \$500.
Stock Debentures.....	November 1, 1943.....	3,081,754.68	4½%	1,849,052.83	1,232,701.85	L.	\$1.
June 15, 1925.....	June 15, 1945.....	2,250,000.00	4½%	2,250,000.00	.....	M., T., E., N.Y.	\$1,000.
January 15, 1926.....	January 15, 1946.....	3,750,000.00	4½%	3,750,000.00	.....	M., T., E., L., N.Y.	\$1,000; \$500; \$100.
March 1, 1932.....	March 1, 1947.....	5,000,000.00	6%	4,104,000.00	\$96,000.00	M., T., E., W., C., V.	\$1,000; \$500.
January 2, 1922.....	January 1, 1947.....	3,846,000.00	5½%	1,846,000.00	2,000,000.00	M., T., E., N.Y.	\$1,000.

January 1, 1923.....	January 1, 1948.....	4,800,000.00	5%	4,800,000.00	.....	M., T., E., N.Y.	\$1,000.
April 15, 1925.....	April 15, 1950.....	3,740,000.00	5%	3,273,000.00	468,000.00	M., T., E., N.Y.	\$1,000.
October 1, 1931.....	October 1, 1951.....	5,649,000.00	4½%	5,649,000.00	.....	M., T., E., W., C., V., N.Y.	\$1,000.
April 1, 1922.....	April 1, 1952.....	3,000,000.00	5½%	3,000,000.00	.....	M., T., E., N.Y.	\$1,000.
October 15, 1924.....	October 15, 1954.....	1,000,000.00	4½%	1,000,000.00	.....	M., T., E., W., Vic.	\$1,000; \$500.
July 15, 1925.....	July 15, 1955.....	500,000.00	5%	500,000.00	.....	M., T., E., N.Y.	\$1,000.
October 1, 1926.....	October 1, 1956.....	6,000,000.00	4½%	4,756,394.35	1,243,605.65	M., T., E., N.Y.	\$1,000.
January 15, 1927.....	January 15, 1957.....	1,275,000.00	4½%	1,275,000.00	.....	M., T., E., Vic., N.Y.	\$1,000.
December 1, 1927.....	December 1, 1957.....	1,850,000.00	4%	1,850,000.00	.....	M., T., C., E., Vic., N.Y.	\$1,000; \$500.
July 16, 1928.....	July 16, 1958.....	3,500,000.00	4½%	2,808,000.00	692,000.00	M., T., E., W., C., V., L., N.Y.	\$1,000.
October 1, 1928.....	October 1, 1958.....	5,915,000.00	4½%	5,915,000.00	.....	M., T., E., W., C., V., L., N.Y.	\$1,000; \$500.
A. & G. W. Rly., January 1, 1909.....	January 1, 1959.....	7,400,000.00	5%	7,400,000.00	.....	L.	\$1,000.
October 1, 1929.....	October 1, 1959.....	6,000,000.00	5%	3,913,500.00	2,086,500.00	M., T., E., W., C., V., L., N.Y.	\$1,000; \$500; \$100.
May 1, 1930.....	May 1, 1960.....	3,000,000.00	4½%	3,000,000.00	.....	M., T., E., W., C., V., N.Y.	\$1,000; \$500; \$100.
April 1, 1931.....	April 1, 1961.....	5,000,000.00	4½%	3,250,000.00	1,750,000.00	M., T., W., E., C., V., N.Y.	\$1,000; \$500; \$100.
July 1, 1926.....	July 1, 1966.....	546,000.00	4½%	546,000.00	.....	M., T., E., N.Y.	\$1,000.
June 1, 1932.....	June 1, 1962-67.....	4,866,666.66	5%	4,136,666.66	730,000.00	L.	\$1.
June 1, 1927.....	June 1, 1967.....	5,239,500.00	4½%	3,870,500.00	1,369,000.00	M., T., E., Vic., V., N.Y.	\$1,000.
February 15, 1924.....	February 15, 1974.....	500,000.00	5%	500,000.00	.....	E.	\$500,000.
July 15, 1924.....	July 15, 1974.....	250,000.00	5%	250,000.00	.....	E.	\$250,000.
June 15, 1925.....	June 15, 1975.....	130,000.00	5%	130,000.00	.....	E., Vic.	\$130,000.
May 1, 1930.....	May 1, 1980.....	1,000,000.00	4½%	1,000,000.00	.....	E.	\$1,000,000.
Total Debentures and Stock.....		\$133,837,360.09		\$107,724,619.87	\$26,112,640.22		
Less: Total Sinking Funds.....		6,988,963.63		5,353,012.17	1,635,951.46		
		\$126,848,396.46		\$102,371,607.70	\$24,476,688.76		
Add: Treasury Bills as follows:							
January 13, 1932.....	January 13, 1933.....	\$ 2,322,000.00	5½%	\$ 1,870,000.00	\$ 952,000.00	O., E.	
February 9, 1932.....	February 9, 1933.....	500,000.00	5½%	500,000.00	.....	O., E.	
April 15, 1932.....	April 15, 1933.....	500,000.00	5½%	500,000.00	.....	O., E.	
December 15, 1932.....	December 15, 1933.....	250,000.00	5%	250,000.00	.....	V., E.	
August 1, 1932.....	August 1, 1933.....	500,000.00	5½%	500,000.00	.....	O., E.	
September 1, 1932.....	September 1, 1933.....	747,265.39	5½%	747,265.39	.....	O., E.	
December 1, 1932.....	December 1, 1933.....	500,000.00	5½%	500,000.00	.....	O., E.	
December 23, 1932.....	December 23, 1933.....	320,000.00	5½%	320,000.00	.....	O., E.	
September 1, 1932.....	September 1, 1935.....	468,750.00	5½%	468,750.00	.....	O., E.	
Net Bonded Debt and Treasury Bills.....		\$133,456,311.85		\$108,027,623.09	\$25,428,688.76		

Abbreviations: M., Montreal; O., Ottawa; T., Toronto; E., Edmonton; C., Calgary; W., Winnipeg; V., Vancouver; Vic., Victoria; N.Y., New York; L., London, England.

STATEMENT No. 3

GOVERNMENT OF THE PROVINCE OF ALBERTA

ANALYSIS OF FUNDED AND UNFUNDED DEBT

The net funded and unfunded debt at December 31, 1932, amounted to \$144,239,193.69, made up and accounted for as follows:

Funded Debt:		
Bonds and debentures	\$140,445,275.48	
Less: Sinking funds	6,988,963.63	
Net funded debt	\$133,456,311.85	
Unfunded Debt:		
Savings certificates	\$ 8,585,341.68	
Less: Special investment fund	4,100,904.29	
	\$ 4,484,437.39	
Temporary loans	3,000,000.00	
Superannuation fund	1,638,499.36	
Miscellaneous liabilities	1,659,945.09	
Net unfunded debt	10,782,881.84	
Net funded and unfunded debt	\$144,239,193.69	
Accounted for as follows:		
Realizable or income-producing assets—		
Alberta Government Telephones, plant and supplies.....	\$24,092,756.11	
Railways, balance owing by C.P.R. and C.N.R.....	10,580,000.00	
Elevator loan	335,150.03	
Alberta Wheat Pool loan	5,649,000.00	
Telephone depreciation and renewal reserve fund.....	1,062,716.85	
Cash	395,573.79	
Proceeds of debenture issue due June 1/62-67 on deposit at Lloyd's Bank, London, England, £114,145@3.755.....	428,614.48	
Working advances	594,411.80	
	43,138,223.06	
Net general debt	\$101,100,970.63	
General Assets:		
Roads, bridges and ferries	\$34,770,498.64	
Public buildings and other public works	18,392,792.43	
University of Alberta	4,444,249.95	
University Hospital Board	449,995.64	
Lethbridge Northern Irrigation District	4,504,033.15	
Seed grain, relief and agricultural loans	4,318,687.81	
School district loans	347,921.02	
Normal School Students' loans	275,091.91	
City of Edmonton, loans and advances	350,000.00	
City of Calgary, loans and advances	340,843.98	
Unemployment relief, amount recoverable from Dominion and other sources	267,860.53	
Sundry loans and advances	417,671.27	
Miscellaneous assets	956,646.38	
	\$69,836,292.71	
Capital Losses:		
Loss on operation and sale of railways.....	\$11,441,385.31	
Alberta Government Telephones	1,134,964.53	
Loans and advances written off	989,612.85	
Miscellaneous	31,766.74	
	\$13,597,729.43	
Deferred Charges:		
General welfare, including charitable purposes, care of incurables and miscellaneous relief....	\$ 2,382,661.02	
Debenture discount	5,845,754.03	
American exchange	898,804.27	
*Unemployment relief—new	1,569,900.93	
War gifts and expenses, including expenses re returned soldiers	573,941.30	
Grants re bridges	420,000.00	
Refund re Dominion Subsidy	468,750.00	
Alberta Government Telephones	391,075.99	
Miscellaneous	121,683.11	
	\$12,672,570.65	
Total capital losses and deferred charges	\$26,270,300.08	
Less: Provision for capital losses and deferred charges arising from capital surplus and re- serves	10,424,373.85	
	\$15,845,926.23	
	\$ 85,682,218.94	
Balance, general debt, consisting of advances to Income Account from Capital funds to finance net income assets and deficits	\$ 15,418,751.69	

*This item includes expenditure of approximately \$1,000,000.00 on roads, bridges and ferries, which will be transferred to that heading at the close of the Province's fiscal year at March 31, 1933.

STATEMENT No. 4

GOVERNMENT OF THE PROVINCE OF ALBERTA

GENERAL INFORMATION

Area—Land	acres	159,232,000
Water	acres	4,150,400
Total	acres	163,382,400
Area in square miles.....	sq. miles	255,285
Population, 1931 Census—		
Rural	No.	453,097
Urban	No.	278,508
Total	No.	731,605
Population per square mile.....	No.	2.87
Area of National Parks.....	acres	13,434,240
Area of Forest Reserves.....	acres	12,436,500
Area of Surveyed Tract.....	acres	87,889,701
Area under Irrigation.....	acres	1,021,010
Total Area Irrigable.....	acres	3,380,720
Estimated Agricultural		
Area	acres	97,123,000
Total Number of Farms—		
1931	No.	97,408
1932	No.	94,605
Area in occupied farms.....	acres	38,977,457
Average Size of Farms—		
1931	acres	400.15
1932	acres	352.50
Acreage of Improved Land		
in occupied farms.....	acres	17,763,109
Average Acreage of Improved	Land Per	
Farm—		
1931	acres	182.35
1932	acres	141.86
Value of Farm Property—		
1931		\$916,352,770
1932		665,719,910
(Increase of 37.65%)		
Acreage Under Cultivation—		
1906	acres	659,981
1932	acres	18,281,000
Acreage in Wheat—		
1906	acres	177,127
1932	acres	8,201,000
Average yield of wheat, 1921-1931—	18.34	
bushels per acre.		
Total Market Value of Agricultural Production—		
1906		\$ 16,428,205
1927		330,143,152
1932		117,826,132
Creamery Butter Manufactured—		
1906	lbs.	1,960,356
1932	lbs.	20,850,000
Exports of Cattle—		
1906	No. of Cattle	82,830
1919	No. of Cattle	213,419
1922	No. of Cattle	300,211
1931	No. of Cattle	105,125
1932	No. of Cattle	96,701
Hog Marketings—		
1920	No. of Hogs	74,237
1921	No. of Hogs	158,097
1922	No. of Hogs	394,898
1926	No. of Hogs	604,127
1929	No. of Hogs	681,544
1930	No. of Hogs	628,935
1931	No. of Hogs	723,352
1932	No. of Hogs	1,008,452
(In 1932 Alberta marketed 31.53% of Canada's total Hog Marketings).		
NATURAL RESOURCES		
Estimated coal area, over 16,500 square miles, with coal reserves over 1,000 million tons.		
Coal Production—		
1906	Tons	1,385,000
1928	Tons	7,334,179
1931	Tons	4,564,290
1932	Tons	4,870,030

Petroleum Production—		
1924	Barrels	844
1931	Barrels	1,455,195
1932	Barrels	917,622
Natural Gas Production—		
1911	M. Cu. Ft.	780,286
1921	M. Cu. Ft.	4,945,884
1930	M. Cu. Ft.	20,748,583
1931	M. Cu. Ft.	18,227,139
1932	M. Cu. Ft.	16,508,583
Fisheries—		
1912	Value	\$ 51,616
1921	Value	459,373
1929	Value	930,853
1930	Value	699,980
1931	Value	336,801

RAILWAY TRAFFIC MOVEMENT
—ALBERTA

Gross Exports—	1930	1931
Originating in Alberta.	8,657,966	8,052,695
Received from foreign countries	257,857	157,134
Total freight carried.....	8,915,823	8,209,829
Imports—		
Terminating in Alberta.	4,120,513	3,271,434
Delivered to foreign countries	8,554	5,059
Total freight carried.....	4,129,067	3,276,493
Net Exports	4,537,453	4,781,261

VALUE OF TOURIST TRAFFIC

1928	approx.	\$ 15,000,000
1929	approx.	19,000,000
1930	approx.	17,000,000
1931	approx.	13,000,000

MISCELLANEOUS

Industrial Establishments,		
1930	No.	845
Capital invested.....		\$109,930,271
Employees	No.	14,089
Salaries and Wages		\$ 17,092,033
Value of Products		94,314,782
Value of Mineral Production—		
1907		\$ 4,657,524
1920		33,586,456
1929		34,739,986
1930		30,619,888
1931		24,267,826
Railway Mileage—		
1931	miles	5,709
Schools in Operation—		
1931	No.	3,346
Number of Hospitals—		
1931	No.	89
(Of 89 hospitals, 22 are municipal hospitals. In addition there are 70 private hospitals)		
Bank Clearings—		
1929		\$1,121,287,991
1930		791,592,337
1931		590,999,654
1932		479,550,000
Life Insurance Sales—		
1929		\$ 38,490,000
1930		31,406,000
1931		23,561,000

